

LYONS RIDGE METROPOLITAN DISTRICT
Jefferson County, Colorado

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2021

**LYONS RIDGE METROPOLITAN DISTRICT
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Dazzio & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Lyons Ridge Metropolitan District
Jefferson County, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Lyons Ridge Metropolitan District (the District), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2021, and the respective changes in financial position and the respective budgetary comparisons for the General Fund, the Architectural Control Special Revenue Fund and the Montane Design Review Committee Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

8200 South Quebec Street, Suite A3259, Centennial, Colorado 80112
303-905-0809 • info@dazziocpa.com

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The Other Information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the Other Information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Dagisio & Associates, P.C.

July 11, 2022

BASIC FINANCIAL STATEMENTS

**LYONS RIDGE METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 488,953
Cash and Investments - Restricted	515,773
Receivable - County Treasurer	3,300
Property Taxes Receivable	903,145
Prepaid Expenses	2,529
Warranty Deposit	158,185
Capital Assets, Not Being Depreciated	6,991
Capital Assets Being Depreciated, Net	<u>2,754,983</u>
Total Assets	<u>4,833,859</u>
LIABILITIES	
Accounts Payable	31,128
Security Deposits	28,700
Accrued Interest Payable	30,336
Noncurrent Liabilities:	
Due Within One Year	205,000
Due in More Than One Year	<u>11,015,000</u>
Total Liabilities	<u>11,310,164</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax Revenue	<u>903,145</u>
Total Deferred Inflows of Resources	<u>903,145</u>
NET POSITION	
Net Investment in Capital Assets	(932,826)
Restricted For:	
Emergency Reserves	6,000
Debt Service	482,010
Capital Projects	176,194
Unrestricted	<u>(7,110,828)</u>
Total Net Position	<u><u>\$ (7,379,450)</u></u>

**LYONS RIDGE METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 452,533	\$ 55,450	\$ -	\$ -	\$ (397,083)
Interest and Related Costs on Long-Term Debt	372,955	-	-	-	(372,955)
Total Governmental Activities	\$ 825,488	\$ 55,450	\$ -	\$ -	(770,038)
 GENERAL REVENUES					
Property Taxes					691,848
Specific Ownership Taxes					52,929
Net Investment Income					670
Total General Revenues					745,447
 CHANGE IN NET POSITION					
Net Position - Beginning of Year					(7,354,859)
 NET POSITION - END OF YEAR					
					\$ (7,379,450)

See accompanying Notes to Basic Financial Statements.(2)

**LYONS RIDGE METROPOLITAN DISTRICT
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

ASSETS	General	Architectural Control	Montane Design Review Committee	Debt Service	Capital Projects	Total Governmental Funds
Cash and Investments	\$ 391,797	\$ 17,235	\$ 54,921	\$ -	\$ 25,000	\$ 488,953
Cash and Investments - Restricted	5,000	100	900	509,773	-	515,773
Receivable From County	727	-	-	2,573	-	3,300
Property Taxes Receivable	198,945	-	-	704,200	-	903,145
Prepaid Expenses	2,529	-	-	-	-	2,529
Warranty Deposit	-	-	-	-	158,185	158,185
Total Assets	\$ 598,998	\$ 17,335	\$ 55,821	\$ 1,216,546	\$ 183,185	\$ 2,071,885
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	\$ 15,464	\$ 4,225	\$ 4,448	\$ -	\$ 6,991	\$ 31,128
Security Deposits	-	200	28,500	-	-	28,700
Total Liabilities	15,464	4,425	32,948	-	6,991	59,828
DEFERRED INFLOWS OF RESOURCES						
Deferred Property Tax Revenue	198,945	-	-	704,200	-	903,145
Total Deferred Inflows of Resources	198,945	-	-	704,200	-	903,145
FUND BALANCES						
Nonspendable:						
Prepaid Expenses	2,529	-	-	-	-	2,529
Restricted For:						
Emergency Reserves	5,000	100	900	-	-	6,000
Debt Service	-	-	-	512,346	-	512,346
Capital Projects	-	-	-	-	158,185	158,185
Committed For:						
Reserves	-	12,810	21,973	-	-	34,783
Assigned to:						
Capital Projects	-	-	-	-	18,009	18,009
Subsequent Year's Expenditures	173,110	-	-	-	-	173,110
Unassigned	203,950	-	-	-	-	203,950
Total Fund Balances	384,589	12,910	22,873	512,346	176,194	1,108,912
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 598,998	\$ 17,335	\$ 55,821	\$ 1,216,546	\$ 183,185	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital Assets, Net

2,761,974

Long-term liabilities are not due and payable in the current period and, therefore, are not in the funds:

Loan Payable

(11,220,000)

Accrued Interest Payable

(30,336)

Net Position of Governmental Activities

\$ (7,379,450)

**LYONS RIDGE METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021**

	General	Architectural Control	Montane Design Review Committee	Debt Service	Capital Projects	Total Governmental Funds
REVENUES						
Property Taxes	\$ 152,401	\$ -	\$ -	\$ 539,447	\$ -	\$ 691,848
Specific Ownership Taxes	11,659	-	-	41,270	-	52,929
Drainage Fees	-	-	-	-	25,000	25,000
Fines	-	-	50	-	-	50
Landscaping Fees	-	-	15,000	-	-	15,000
Minor Application Income	-	1,149	251	-	-	1,400
New Development Fees	-	-	14,000	-	-	14,000
Net Investment Income	64	-	-	606	-	670
Total Revenues	164,124	1,149	29,301	581,323	25,000	800,897
EXPENDITURES						
Current:						
Accounting	18,458	-	-	-	-	18,458
Audit	4,700	-	-	-	-	4,700
County Treasurer's Fee	2,287	-	-	8,097	-	10,384
District Management	20,000	-	-	-	-	20,000
Dues and Membership	826	-	-	-	-	826
Insurance and Bonds	2,529	-	-	-	-	2,529
Legal	20,844	-	-	-	-	20,844
Miscellaneous	1,977	-	-	-	-	1,977
Operations and Maintenance:						
DRC Management	-	11,095	2,500	-	-	13,595
Ejector Pump Contract	15,375	-	-	-	-	15,375
Landscaping Improvements	59,195	-	-	-	-	59,195
Miscellaneous Landscaping	8,695	-	-	-	-	8,695
Miscellaneous Repairs	13,376	-	-	-	-	13,376
Mulch	12,502	-	-	-	-	12,502
O&M Labor	15,472	-	-	-	-	15,472
Snow Removal	4,596	-	-	-	-	4,596
Utilities	24,658	-	-	-	-	24,658
Covenant Enforcement - Legal	-	-	8,275	-	-	8,275
Operating Expenditures	-	-	18,365	-	-	18,365
Debt Service:						
Banking Fees	-	-	-	77	-	77
Loan Interest	-	-	-	462,616	-	462,616
Loan Principal	-	-	-	45,000	-	45,000
Capital Outlay/Expenditures	-	-	-	-	22,067	22,067
Total Expenditures	225,490	11,095	29,140	515,790	22,067	803,582
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(61,366)	(9,946)	161	65,533	2,933	(2,685)
OTHER FINANCING SOURCES (USES)						
Transfers (to) from Other Funds	(15,076)	-	-	-	15,076	-
Total Other Financing Sources (Uses)	(15,076)	-	-	-	15,076	-
NET CHANGE IN FUND BALANCES	(76,442)	(9,946)	161	65,533	18,009	(2,685)
Fund Balances - Beginning of Year	461,031	22,856	22,712	446,813	158,185	1,111,597
FUND BALANCES - END OF YEAR	<u>\$ 384,589</u>	<u>\$ 12,910</u>	<u>\$ 22,873</u>	<u>\$ 512,346</u>	<u>\$ 176,194</u>	<u>\$ 1,108,912</u>

See accompanying Notes to Basic Financial Statements.(4)

**LYONS RIDGE METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balances - Governmental Funds	\$	(2,685)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense, the allocation of the cost of any depreciable asset over the estimated useful life of the asset.</p>		
Current Year Capital Assets		6,991
Depreciation		(171,732)
<p>Long-term debt (e.g., issuance of loans, the receipt of Developer Advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>		
Current Year Loan Principal Payment		45,000
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Accrued Interest on Loan - Change in Liability		97,835
Change in Net Position of Governmental Activities	\$	(24,591)

**LYONS RIDGE METROPOLITAN DISTRICT
GENERAL FUND –
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 152,389	\$ 152,389	\$ 152,401	\$ 12
Specific Ownership Taxes	10,667	10,027	11,659	1,632
Net Investment Income	10	50	64	14
Total Revenues	<u>163,066</u>	<u>162,466</u>	<u>164,124</u>	<u>1,658</u>
EXPENDITURES				
Current:				
Accounting	18,500	18,500	18,458	42
Audit	5,000	4,700	4,700	-
County Treasurer's Fee	2,286	2,286	2,287	(1)
District Management	13,000	20,000	20,000	-
Dues and Membership	550	826	826	-
Insurance and Bonds	3,000	2,529	2,529	-
Legal	20,000	17,500	20,844	(3,344)
Miscellaneous	500	500	1,977	(1,477)
Operations and Maintenance:				
Contingency	10,000	10,000	-	10,000
Drainage/Detention	2,500	2,500	-	2,500
Ejector Pump Contract	20,000	20,000	15,375	4,625
Landscaping Improvements	55,000	55,000	59,195	(4,195)
Miscellaneous Landscaping	20,000	20,000	8,695	11,305
Miscellaneous Repairs	7,500	12,500	13,376	(876)
Mulch	7,500	17,000	12,502	4,498
O&M Labor	16,500	16,500	15,472	1,028
Snow Removal	10,000	10,000	4,596	5,404
Utilities	13,000	18,000	24,658	(6,658)
Total Expenditures	<u>224,836</u>	<u>248,341</u>	<u>225,490</u>	<u>22,851</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(61,770)	(85,875)	(61,366)	24,509
OTHER FINANCING SOURCES (USES)				
Transfers (to) from Other Funds	-	(30,000)	(15,076)	14,924
Total Other Financing Sources (Uses)	<u>-</u>	<u>(30,000)</u>	<u>(15,076)</u>	<u>14,924</u>
NET CHANGE IN FUND BALANCES	(61,770)	(115,875)	(76,442)	39,433
Fund Balance - Beginning of Year	<u>76,661</u>	<u>461,031</u>	<u>461,031</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 14,891</u>	<u>\$ 345,156</u>	<u>\$ 384,589</u>	<u>\$ 39,433</u>

See accompanying Notes to Basic Financial Statements.(6)

**LYONS RIDGE METROPOLITAN DISTRICT
ARCHITECTURAL CONTROL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Landscaping Fees	\$ 2,500	\$ -	\$ (2,500)
Minor Application Income	250	1,149	899
New Development Fees	200	-	(200)
Permits and Fees	2,000	-	(2,000)
Total Revenues	<u>4,950</u>	<u>1,149</u>	<u>(3,801)</u>
EXPENDITURES			
Application Review - Contract Services	500	-	500
Contingency	1,000	-	1,000
Covenant Enforcement	3,000	-	3,000
DRC Management	8,000	11,095	(3,095)
Operating Expenditures	1,000	-	1,000
Total Expenditures	<u>13,500</u>	<u>11,095</u>	<u>2,405</u>
NET CHANGE IN FUND BALANCES	(8,550)	(9,946)	(1,396)
Fund Balance - Beginning of Year	<u>16,024</u>	<u>22,856</u>	<u>6,832</u>
FUND BALANCE - END OF YEAR	<u>\$ 7,474</u>	<u>\$ 12,910</u>	<u>\$ 5,436</u>

**LYONS RIDGE METROPOLITAN DISTRICT
MONTANE DESIGN REVIEW COMMITTEE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Building Permits	\$ 1,500	\$ -	\$ -	\$ -
Fines	-	50	50	-
Landscaping Fees	10,000	20,000	15,000	(5,000)
Minor Application Income	300	300	251	(49)
New Development Fees	20,000	17,000	14,000	(3,000)
Total Revenues	<u>31,800</u>	<u>37,350</u>	<u>29,301</u>	<u>(8,049)</u>
EXPENDITURES				
Application Review - Contract Services	2,500	-	-	-
Contingency	2,000	5,620	-	5,620
Covenant Enforcement	4,000	-	-	-
Covenant Enforcement - Legal	1,500	12,000	8,275	3,725
DRC Management	8,000	6,380	2,500	3,880
Operating Expenditures	1,500	11,000	18,365	(7,365)
Total Expenditures	<u>19,500</u>	<u>35,000</u>	<u>29,140</u>	<u>5,860</u>
NET CHANGE IN FUND BALANCES	12,300	2,350	161	(2,189)
Fund Balance - Beginning of Year	<u>39,784</u>	<u>22,712</u>	<u>22,712</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 52,084</u>	<u>\$ 25,062</u>	<u>\$ 22,873</u>	<u>\$ (2,189)</u>

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 DEFINITION OF REPORTING ENTITY

Lyons Ridge Metropolitan District (the District), a quasi-municipal corporation and political subdivision of the state of Colorado, was organized by order and decree of the District Court of Jefferson County on November 17, 2010, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under the Amended and Restated Service Plan dated May 28, 2010. The District's service area is located in Jefferson County, Colorado. The District was established to provide the following services: streets and drainage, water, sanitary sewer, parks and recreation, traffic safety protection, and public transportation.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District has no employees, and all operations and administrative functions are contracted.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Architectural Control Fund (Special Revenue Fund) accounts for the resources accumulated and payments for services associated with design review and covenant enforcement within the Lyons Ridge community of the District.

The Montane Design Review Committee Fund (Special Revenue Fund) accounts for the resources accumulated and payments for services associated with design review and covenant enforcement within the Montane community of the District.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its annual budget for the year ended December 31, 2021.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of net investment in capital assets.

It is the policy of the County to accept maintenance responsibility for all capital improvements within the County, except for certain landscaping improvements specified in the District's Service Plan, upon the District's completion and conveyance of such improvements provided they meet the County's specifications.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Drainage/Detention Improvements	25 Years
Park and Open Space	15 to 35 Years

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2021, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	\$ 488,953
Cash and Investments - Restricted	515,773
Total Cash and Investments	<u>\$ 1,004,726</u>

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Cash and investments as of December 31, 2021, consist of the following:

Deposits with Financial Institutions	\$ 515,896
Investments	<u>488,830</u>
Total Cash and Investments	<u><u>\$ 1,004,726</u></u>

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2021, the District's cash deposits had a bank balance of \$520,561 and a carrying balance of \$515,896.

Investments

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- * Local government investment pools

As of December 31, 2021, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	\$ 488,830
Total		<u>\$ 488,830</u>

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

The District holds all its investments in the COLOTRUST PLUS+ portfolio.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2021 follows:

	Balance at December 31, 2020	Increases	Decreases	Balance at December 31, 2021
<u>Governmental Activities</u>				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ -	\$ 6,991	\$ -	\$ 6,991
Total Capital Assets, Not Being Depreciated	-	6,991	-	6,991
Capital Assets, Being Depreciated:				
Parks and Open Space	1,327,562	-	-	1,327,562
Bergen Ditch	388,145	-	-	388,145
Drainage and Detention	1,692,580	-	-	1,692,580
Total Capital Assets, Being Depreciated	3,408,287	-	-	3,408,287
Less Accumulated Depreciation For:				
Parks and Open Space	(233,903)	(88,500)	-	(322,403)
Bergen Ditch	(54,345)	(15,528)	-	(69,873)
Drainage and Detention	(193,324)	(67,704)	-	(261,028)
Total Accumulated Depreciation	(481,572)	(171,732)	-	(653,304)
Governmental Activities Capital Assets, Net	<u>\$ 2,926,715</u>	<u>\$ (164,741)</u>	<u>\$ -</u>	<u>\$ 2,761,974</u>

During 2018, a significant portion of the capital assets constructed by the District were conveyed to other governmental entities. The costs of all capital assets transferred to other governmental entities were removed from the District's financial records. There is a two-year warranty period on the capital assets conveyed. The District anticipates that the costs, if any, associated with the warranty will be insignificant.

Depreciation expense of \$171,732 was charged to the general government function on the statement of activities.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2021:

	Balance December 31, 2020	Additions	Deletions	Balance December 31, 2021	Due Within One Year
<u>Governmental Activities</u>					
Notes from Direct Borrowings:					
Series 2020A General Obligation Loan	\$ 765,000	\$ -	\$ 45,000	\$ 720,000	\$ 205,000
Series 2020B General Obligation Refunding Loan	10,500,000	-	-	10,500,000	-
Total	<u>\$ 11,265,000</u>	<u>\$ -</u>	<u>\$ 45,000</u>	<u>\$ 11,220,000</u>	<u>\$ 205,000</u>

The details of the District's long-term obligations are as follows:

General Obligation Taxable New Money Loan (Convertible to Unlimited Tax) (Series 2020A) (the Series 2020A Loan), General Obligation Tax-Exempt Refunding Loan (Convertible to Unlimited Tax) (Series 2020B) (the Series 2020B Loan, the 2020 Loans) 2020 Loans

The District entered into a Loan Agreement on August 26, 2020 with Zions Bank (successor of Vectra Bank) which is evidenced by promissory notes the District issued in the amounts of \$765,000 for the Series 2020A Loan and \$10,500,000 for the Series 2020B Loan.

Proceeds from the issuance of the Series 2020A Loan were used to: 1) repay Operating and Maintenance Developer Advances; and 2) fund an Operating and Maintenance reserve. Proceeds from the issuance of the Series 2020B Loan were used to: 1) refund the District's outstanding General Obligation Loan, Series 2015A Loan; and 2) refund the District's outstanding General Obligation Loan, Series 2015B Loan.

Interest payments on the 2020 Loans are due on June 1 and December 1 (each an Interest Payment Date) of each year, beginning on June 1, 2021. Interest is calculated on the basis of a 360-day year and actual days elapsed. Interest not paid when due shall remain due and owing, but shall not compound or bear additional interest. Principal on the 2020 Loans is due on December 1 of each year, beginning on December 1, 2021, for the Series 2020A Loan and beginning on December 1, 2025, for the Series 2020B Loan. The 2020 Loans bear interest at 3.20%. Upon any Determination of Taxability, the Series 2020B Loan will bear interest at 4.00%.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Taxable New Money Loan (Convertible to Unlimited Tax) (Series 2020A) (the Series 2020A Loan), General Obligation Tax-Exempt Refunding Loan (Convertible to Unlimited Tax) (Series 2020B) (the Series 2020B Loan, the 2020 Loans) (Continued)

2020 Loans (Continued)

Prepayment

The District may, at its option, prepay the Series 2020B Loan in whole or part on or after December 1, 2025. The prepayment price equals the principal amount of the Series 2020B Loan prepaid plus accrued interest to the date of prepayment together with the following prepayment penalty:

- (i) the following applicable prepayment premium (expressed as a percentage of par):
 - a. December 1, 2025 and November 30, 2026, 2.00%
 - b. December 1, 2026 and November 30, 2027, 1.00%
 - c. December 1, 2027 and thereafter, 0.00%.

Pledged Revenue

The 2020 Loans are secured and payable from the Pledged Revenue, consisting of monies derived by property and specific ownership taxes, as derived by the debt mill levy, and any other legally available monies of the District credited to the Loan Fund.

Events of Default

The District's outstanding 2020 Loans from direct borrowings related to governmental activities contain a provision regarding certain events of default, for which acceleration is not a remedy. Events of default occur if the District does not impose the Required Mill levy, does not make payments of principal and interest when due, and other customary terms and conditions consistent with normal municipal financings.

The District's long-term obligations will mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 205,000	\$ 364,027	\$ 569,027
2023	210,000	357,376	567,376
2024	245,000	351,523	596,523
2025	255,000	342,614	597,614
2026	275,000	334,340	609,340
2027-2031	1,505,000	1,533,216	3,038,216
2032-2036	1,770,000	1,273,051	3,043,051
2037-2041	2,075,000	965,878	3,040,878
2042-2046	2,430,000	607,045	3,037,045
2047-2050	2,250,000	185,573	2,435,574
Total	<u>\$ 11,220,000</u>	<u>\$ 6,314,643</u>	<u>\$ 17,534,643</u>

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt

On November 2, 2010, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$68,590,000 at an interest rate not to exceed 15% per annum. At December 31, 2021, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized November 2, 2010	Authorization Used 2015A and 2015B Loan	Remaining at December 31, 2021
Street Improvements	\$ 11,265,000	\$ 4,200,995	\$ 7,064,005
Water Improvements	11,265,000	2,599,982	8,665,018
Sanitation and Storm Drainage	11,265,000	2,613,484	8,651,516
Parks and Recreation	11,265,000	1,785,539	9,479,461
Safety Protection	11,265,000	-	11,265,000
Public Transportation	11,265,000	-	11,265,000
Operations and Maintenance	1,000,000	-	1,000,000
Refunding of Debt	33,795,000	-	33,795,000
Total	<u>\$ 102,385,000</u>	<u>\$ 11,200,000</u>	<u>\$ 91,185,000</u>

Pursuant to the Service Plan dated May 28, 2010, the District can issue bond indebtedness of up to \$11,265,000. The 2020 Loans did not change the amount of authorized debt utilized. In addition, the maximum debt service mill levy for the District is 55.090 mills, as adjusted for changes in the ratio of actual value to assessed value property within the District. As of December 31, 2021, the calculated adjusted debt service mill levy was 39.000 mills.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area within the limitations of the District's Service Plan.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 6 NET POSITION

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balance of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2021, the District had net investment in capital assets calculated as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	\$ 2,761,974
Current Portion of Outstanding Long-Term Obligations	(67,507)
Noncurrent Portion of Outstanding Long-Term Obligations	(3,627,293)
Net Investment in Capital Assets	\$ (932,826)

Restricted net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2021, as follows:

	Governmental Activities
Restricted Net Position:	
Emergencies	\$ 6,000
Debt Service	482,010
Capital Projects	176,194
Total Restricted Net Position	\$ 664,204

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of debt issued for public improvements that have been conveyed to other governments.

NOTE 7 RELATED PARTIES

The Developer of the property which constitutes the District is Shea Properties Management Company, Inc. Two of the members of the Board of Directors are officers, employees or associated with the Developer and may have conflicts of interest in dealing with the District.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 8 AGREEMENTS AND COMMITMENTS

Construction and Acquisition Agreement

On September 1, 2012, the District entered into a Construction and Acquisition Agreement with Shea Properties Management Company, Inc. (Shea). Shea will coordinate and construct certain District improvements which will result in economies in construction costs and timely construction of the development. Actual construction costs are not to exceed \$11,200,000. The improvements will be transferred to the District upon completion. Some of the improvements will then be transferred to other entities. As of December 31, 2021, the District has reimbursed Shea \$10,301,279 for actual construction costs. No outstanding balance is due to Shea as of December 31, 2021.

NOTE 9 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**LYONS RIDGE METROPOLITAN DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

On November 2, 2010, the District's electors authorized the District to collect, spend or retain the full amount of revenue authorized by law or contract collected or received by the District during 2011 and each fiscal year thereafter without regards to any spending, revenue raising or other limitations contained within Article X, Section 20 of the Colorado Constitution (TABOR) or Section 29-1-301, C.R.S., to pay the District's operations, maintenance and other expenses.

On November 2, 2010, the District's electors authorized the District to increase taxes \$1,000,000 annually (first full fiscal year dollar increase) and by the same amount annually thereafter plus inflation and local growth consisting of an ad valorem mill levy imposed on all taxable property within the District without limitation of rate and in an amount sufficient to fund annual expenses related to the operations and maintenance of the District.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

NOTE 11 INTERFUND TRANSFERS

The \$15,076 transfer from the General Fund to the Capital Project Fund was made to cover expenditures incurred by the Capital Project Fund.

SUPPLEMENTARY INFORMATION

**LYONS RIDGE METROPOLITAN DISTRICT
DEBT SERVICE FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	\$ 539,404	\$ 539,447	\$ 43
Specific Ownership Taxes	37,758	41,270	3,512
Net Investment Income	3,500	606	(2,894)
Other Revenue	10,000	-	(10,000)
Total Revenues	<u>590,662</u>	<u>581,323</u>	<u>(9,339)</u>
EXPENDITURES			
Banking Fees	-	77	(77)
Contingency	10,000	-	10,000
County Treasurer's Fee	8,091	8,097	(6)
Loan Interest	462,616	462,616	-
Loan Principal	45,000	45,000	-
Loan Issue Costs	-	-	-
Paying Agent Fees	5,000	-	5,000
Total Expenditures	<u>530,707</u>	<u>515,790</u>	<u>14,917</u>
NET CHANGE IN FUND BALANCES	59,955	65,533	5,578
Fund Balance - Beginning of Year	<u>424,420</u>	<u>446,813</u>	<u>22,393</u>
FUND BALANCE - END OF YEAR	<u>\$ 484,375</u>	<u>\$ 512,346</u>	<u>\$ 27,971</u>

**LYONS RIDGE METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND –
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Drainage Fees	\$ -	\$ -	\$ 25,000	\$ 25,000
Total Revenues	-	-	25,000	25,000
EXPENDITURES				
Capital Outlay	-	9,907	12,151	(2,244)
Fence and Sign Maintenance	-	10,093	5,971	4,122
Fence Replacement	1,000	1,000	-	1,000
Tract D Stair	5,000	5,000	-	5,000
Trash Cans	4,000	4,000	3,945	55
Total Expenditures	10,000	30,000	22,067	7,933
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	(10,000)	(30,000)	2,933	32,933
OTHER FINANCING SOURCES (USES)				
Transfers (to) from Other Funds	-	30,000	15,076	(14,924)
Total Other Financing Sources (Uses)	-	30,000	15,076	(14,924)
NET CHANGE IN FUND BALANCES				
	(10,000)	-	18,009	18,009
Fund Balance - Beginning of Year	350,000	158,185	158,185	-
FUND BALANCE - END OF YEAR	\$ 340,000	\$ 158,185	\$ 176,194	\$ 18,009

OTHER INFORMATION

**LYONS RIDGE METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2021**

\$765,000 Taxable General Obligation
Loan - Series 2020A
\$10,500,000 Tax-Exempt General Obligation
Refunding Loan - Series 2020B
Interest Rate 3.200%
Dated August 26, 2020
Principal Payable Annually, Beginning
December 1, 2021
Interest Payable Semi-Annually, June 1
and December 1

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 205,000	\$ 364,027	\$ 569,027
2023	210,000	357,376	567,376
2024	245,000	351,523	596,523
2025	255,000	342,614	597,614
2026	275,000	334,340	609,340
2027	285,000	325,417	610,417
2028	290,000	317,037	607,037
2029	300,000	306,762	606,762
2030	310,000	297,029	607,029
2031	320,000	286,971	606,971
2032	330,000	277,347	607,347
2033	345,000	265,882	610,882
2034	355,000	254,689	609,689
2035	365,000	243,171	608,171
2036	375,000	231,962	606,962
2037	390,000	219,162	609,162
2038	400,000	206,509	606,509
2039	415,000	193,531	608,531
2040	430,000	180,560	610,560
2041	440,000	166,116	606,116
2042	455,000	151,840	606,840
2043	470,000	137,078	607,078
2044	485,000	122,163	607,163
2045	500,000	106,093	606,093
2046	520,000	89,871	609,871
2047	535,000	73,000	608,000
2048	555,000	55,795	610,795
2049	570,000	37,636	607,636
2050	590,000	19,142	609,142
Total	<u>\$ 11,220,000</u>	<u>\$ 6,314,643</u>	<u>\$ 17,534,643</u>

**LYONS RIDGE METROPOLITAN DISTRICT
SUMMARY OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2021**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Property Taxes		Percent Collected to Levied
		General	Debt	Levied	Collected	
2017	\$ 5,741,242	10.000	50.000	\$ 344,474	\$ 347,666	100.93 %
2018	7,924,097	10.908	54.540	518,616	519,768	100.22
2019	9,162,777	10.971	54.855	603,149	603,245	100.02
2020	11,856,283	11.018	55.090	783,796	785,175	100.18
2021	13,830,872	11.018	39.000	691,793	691,848	100.01
Estimated for the Year Ending December 31, 2022	\$ 18,056,400	11.018	39.000	\$ 903,145		